H-0545.1	

HOUSE BILL 1345

State of Washington 58th Legislature 2003 Regular Session

By Representatives Cooper, Haigh, Simpson, Dunshee and Ericksen

Read first time 01/23/2003. Referred to Committee on Local

Government.

AN ACT Relating to creating regional fire protection service authorities; adding a new section to chapter 82.14 RCW; adding a new chapter to Title 52 RCW; and creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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5 NEW SECTION. **Sec. 1.** FINDINGS. The legislature finds that:

- (1) The ability to respond to emergency situations by many of Washington state's fire protection jurisdictions have not kept up with the state's needs, particularly in urban regions;
 - (2) Providing a fire protection service system requires a shared partnership and responsibility between the federal, state, local, and regional governments and the private sector;
- (3) There are efficiencies to be gained by regional fire protection service delivery while retaining local control; and
- (4) Timely development of significant projects can best be achieved through enhanced funding options for regional fire protection service agencies, using already existing tax authority to address fire protection emergency service needs and new authority to address critical fire protection projects and emergency services.

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NEW SECTION. Sec. 2. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Board" means the governing body of a regional fire protection service authority.
- (2) "Regional fire protection service authority" or "authority" means a municipal corporation whose boundaries are coextensive with two or more adjacent fire protection jurisdictions and that has been created by a vote of the people under this chapter to implement a regional fire protection service authority plan.
- (3) "Regional fire protection service authority planning committee" or "planning committee" means the advisory committee created under section 3 of this act to create and propose to fire protection jurisdictions a regional fire protection service authority plan to design, finance, and develop fire protection service projects.
- (4) "Regional fire protection service authority plan" or "plan" means a plan to develop and finance a fire protection service authority project or projects, including, but not limited to, specific capital projects, fire and emergency service operations, and preservation and maintenance of existing or future facilities.
- 21 (5) "Fire protection jurisdiction" means a fire district, city, 22 town, port district, or Indian tribe.
- NEW SECTION. Sec. 3. PLANNING COMMITTEE FORMATION. Regional fire protection service authority planning committees are advisory entities that are created, convened, and empowered as follows:
 - (1) Any two or more adjacent fire protection jurisdictions may create a regional fire protection service authority and convene a regional fire protection service authority planning committee.
 - (2) The governing body of the fire protection jurisdiction participating in planning under this chapter shall serve as the authority planning committee. Members of the planning committee may receive compensation and may be reimbursed for travel and incidental expenses at the discretion of their respective governing body.
- 34 (3) A regional fire protection service authority planning committee 35 may receive state funding, as appropriated by the legislature, or 36 county funding provided by the affected counties for start-up funding 37 to pay for salaries, expenses, overhead, supplies, and similar expenses

- ordinarily and necessarily incurred. Upon creation of a regional fire protection service authority, the authority shall within one year reimburse the state or county for any sums advanced for these start-up costs from the state or county.
 - (4) The planning committee shall conduct its affairs and formulate a regional fire protection service authority plan as provided under section 4 of this act.
 - (5) At its first meeting, a fire protection service authority planning committee may elect officers and provide for the adoption of rules and other operating procedures.
- 11 (6) The planning committee may dissolve itself at any time by a 12 majority vote of the total membership of the planning committee. Any 13 participating fire protection jurisdiction may withdraw upon thirty 14 calendar days' written notice to the other jurisdictions.
 - NEW SECTION. Sec. 4. PLANNING COMMITTEE DUTIES. (1) A regional fire protection service authority planning committee shall adopt a regional fire protection service authority plan providing for the design, financing, and development of fire protection services. The planning committee may consider the following factors in formulating its plan:
 - (a) Land use planning criteria; and

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- 22 (b) The input of cities and counties located within, or partially within, a participating fire protection jurisdiction.
 - (2) The planning committee may coordinate its activities with affected cities, towns, and other local governments that engage in fire protection planning.
 - (3) The planning committee shall:
- 28 (a) Create opportunities for public input in the development of the 29 plan;
 - (b) Adopt a plan proposing the creation of a regional fire protection service authority and recommending design, financing, and development of fire protection and emergency service facilities and operations, including maintenance and preservation of facilities or systems; and
- 35 (c) Recommend sources of revenue authorized by section 5 of this 36 act and a financing plan to fund selected fire protection service 37 projects.

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1 (4) Once adopted, the plan must be forwarded to the participating 2 fire protection jurisdictions' governing bodies to initiate the 3 election process under section 6 of this act.

- (5) If the ballot measure is not approved, the planning committee may redefine the selected fire protection service authority projects, financing plan, and the ballot measure. The fire protection jurisdictions' governing bodies may approve the new plan and ballot measure, and may then submit the revised proposition to the voters at a subsequent election or a special election. If a ballot measure is not approved by the voters by the third vote, the planning committee is dissolved.
- NEW SECTION. Sec. 5. TAXES AND FEES. (1) A regional fire protection service authority planning committee may, as part of a regional fire protection service authority plan, recommend the imposition of some or all of the following revenue sources, which a regional fire protection service authority may impose upon approval of the voters as provided in this chapter:
 - (a) A regional sales and use tax, as specified in section 14 of this act, of up to 0.5 percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, upon the occurrence of any taxable event within the regional fire protection service authority;
 - (b) Benefit charges under chapter 52.18 RCW;
 - (c) Property taxes under RCW 84.52.130; and
 - (d) Any combination of (a) through (c) of this subsection.
 - (2) Taxes may not be imposed without an affirmative vote of the majority of the voters within the boundaries of the authority voting on a ballot proposition as set forth in section 6 of this act. Revenues from these taxes may be used only to implement the plan as set forth in this chapter. An authority may contract with the state department of revenue or other appropriate entities for administration and collection of any of the taxes authorized in this section.
- NEW SECTION. Sec. 6. SUBMISSION OF PLAN TO THE VOTERS. The governing bodies of two or more adjacent fire protection jurisdictions, upon receipt of the fire protection service plan under section 4 of this act, may certify the plan to the ballot, including identification

of the tax options necessary to fund the plan. The governing bodies of the fire protection jurisdictions may draft a ballot title, give notice as required by law for ballot measures, and perform other duties as required to put the plan before the voters of the proposed authority for their approval or rejection as a single ballot measure that both approves formation of the authority and approves the plan. Authorities may negotiate interlocal agreements necessary to implement the plan. The electorate is the voters voting within the boundaries of the proposed regional fire protection service authority. A simple majority of the total persons voting on the single ballot measure to approve the plan, establish the authority, and approve the taxes is required for approval.

NEW SECTION. Sec. 7. CERTIFICATION OF FORMATION. If the voters approve the plan, including creation of a regional fire protection service authority and imposition of taxes, the authority is formed. The appropriate county election officials shall, within fifteen days of the final certification of the election results, publish a notice in a newspaper or newspapers of general circulation in the authority declaring the authority formed. A party challenging the procedure or the formation of a voter-approved authority must file the challenge in writing by serving the prosecuting attorney of each county within, or partially within, the fire protection service authority and the attorney general within thirty days after the final certification of the election. Failure to challenge within that time forever bars further challenge of the authority's valid formation.

NEW SECTION. Sec. 8. BOARD COMPOSITION. (1) The governing board of an authority consists of three members of the legislative authority of each member fire protection jurisdiction, appointed by the legislative authority of the fire protection jurisdiction and acting ex officio and independently. The governing board may elect an executive board to discharge the duties of the governing board subject to the approval of the full governing board.

(2) A majority of votes of the total board membership is required to submit to the voters a modified plan or any other proposal to be submitted to the voters.

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- NEW SECTION. Sec. 9. BOARD ORGANIZATION. The board shall adopt rules for the conduct of business. The board shall adopt bylaws to govern authority affairs, which may include:
 - (1) The time and place of regular meetings;
 - (2) Rules for calling special meetings;
- 6 (3) The method of keeping records of proceedings and official acts;
- 7 (4) Procedures for the safekeeping and disbursement of funds; and
- 8 (5) Any other provisions the board finds necessary to include.
- 9 <u>NEW SECTION.</u> **Sec. 10.** BOARD'S POWERS AND DUTIES. (1) The governing board of the authority is responsible for the execution of the voter-approved plan. The board shall:
 - (a) Levy and impose taxes authorized by authority voters;
- 13 (b) Enter into agreements with federal, state, local, and regional 14 entities and departments as necessary to accomplish authority purposes 15 and protect the authority's investments;
- 16 (c) Accept gifts, grants, or other contributions of funds that will support the purposes and programs of the authority;
- (d) Monitor and audit the progress and execution of fire protection service projects to protect the investment of the public and annually make public its findings;
- 21 (e) Pay for services and enter into leases and contracts, including 22 professional service contracts;
 - (f) Hire, manage, and terminate employees; and
- 24 (g) Exercise other powers and duties as may be reasonable to carry 25 out the purposes of the authority.
 - (2) An authority may acquire, hold, or dispose of real property.
- 27 (3) An authority may exercise the powers of eminent domain.
- 28 (4) An authority may enforce fire codes as provided under chapter 29 19.27 RCW.
- NEW SECTION. Sec. 11. TRANSFER OF RESPONSIBILITIES. (1) All powers, duties, and functions of a participating fire protection
- 32 jurisdiction pertaining to providing fire protection services may be
- 33 transferred, by resolution, to the regional fire protection service
- 34 authority.

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- 35 (2)(a) All reports, documents, surveys, books, records, files,
- 36 papers, or written material in the possession of the participating fire

- protection jurisdiction pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the regional fire protection service authority. All real property and personal property including cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the participating fire protection jurisdiction in carrying out the powers, functions, and duties transferred shall be made available to the regional fire protection service authority. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the regional fire protection service authority.
 - (b) Any appropriations made to the participating fire protection jurisdiction for carrying out the powers, functions, and duties transferred shall, on the effective date of the resolution, be transferred and credited to the regional fire protection service authority.

- (c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the governing body of the participating fire protection jurisdiction shall make a determination as to the proper allocation.
- (3) All rules and all pending business before the participating fire protection jurisdiction pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the regional fire protection service authority. All existing contracts and obligations shall remain in full force and shall be performed by the regional fire protection service authority.
- (4) The transfer of the powers, duties, functions, and personnel of the participating fire protection jurisdiction shall not affect the validity of any act performed before the effective date of the resolution.
- (5) If apportionments of budgeted funds are required because of the transfers directed by the resolution, the treasurer under section 12 of this act shall certify the apportionments.
- (6) Nothing contained in this section may be construed to alter any existing collective bargaining unit or the provisions of any existing collective bargaining agreement until the agreement has expired or

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- 1 until the bargaining unit has been modified as provided by law. RCW
- 2 35.13.215 through 35.13.235 apply to the transfer of employees under
- 3 this section.

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4 <u>NEW SECTION.</u> **Sec. 12.** TREASURER. The regional fire protection service authority, by resolution, shall designate a person having 5 experience in financial or fiscal matters as treasurer of the 6 7 authority. The authority may designate the treasurer of a county within which the authority is located, or partially located, to act as 8 its treasurer. The treasurer has all of the powers, responsibilities, 9 and duties the county treasurer has related to investing all funds. 10 11 The authority shall require a bond with a surety company authorized to do business in this state in an amount and under the terms and 12 conditions the authority, by resolution, from time to time finds will 13 protect the authority against loss. The authority shall pay the 14 15 premium on the bond.

The treasurer shall establish an account, into which shall be paid authority funds. The treasurer may disburse authority funds only on warrants issued by the authority upon orders or vouchers approved by the authority.

If the treasurer of the authority is the treasurer of a county, all authority deposits must be placed with a county depositary under the same restrictions, contracts, and security as provided for county depositaries. If the treasurer of the authority is the treasurer of a county, the treasurer may invest authority funds as set forth under RCW 39.60.010. If the treasurer of the authority is some other person, all funds must be deposited in a bank or banks authorized to do business in this state qualified for insured deposits under any federal deposit insurance act as the authority, by resolution, designates.

The authority may provide and require a reasonable bond of any other person handling moneys or securities of the authority, but the authority shall pay the premium on the bond.

NEW SECTION. Sec. 13. DEBT AND BONDING. Unless contrary to this section, chapter 39.42 RCW applies to debt and bonding under this section. The authority may borrow money, but may not issue any debt of its own for more than ten years' duration. An authority may issue notes or other evidences of indebtedness with a maturity of not more

- 1 than twenty years. An authority may, when authorized by the plan,
- 2 enter into agreements with the state or lead jurisdictions to pledge
- 3 taxes or other revenues of the authority for the purpose of paying in
- 4 part or whole principal and interest on bonds issued by the lead
- 5 jurisdiction. The contracts pledging revenues and taxes are binding
- 6 for the term of the agreement, but not to exceed twenty-five years, and
- 7 no tax pledged by an agreement may be eliminated or modified if it
- 8 would impair the pledge of the agreement.

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- 9 <u>NEW SECTION.</u> **Sec. 14.** A new section is added to chapter 82.14 RCW to read as follows:
- SALES AND USE TAX. (1) If approved by the majority of the voters within its boundaries voting on the ballot proposition, a regional fire protection service authority may impose a sales and use tax of up to 0.5 percent of the selling price or value of the article used in the case of a use tax. The tax authorized by this section is in addition to the tax authorized by RCW 82.14.030 and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW
- 19 (2) The following provisions apply to the use tax:
- 20 (a) Where persons are taxable under chapter 82.08 RCW, the seller shall collect the use tax from the buyer using the collection provisions of RCW 82.08.050.

upon the occurrence of any taxable event within the taxing district.

- 23 (b) Where persons are taxable under chapter 82.12 RCW, the use tax 24 must be collected using the provisions of RCW 82.12.045.
 - (c) "Person" has the meaning given in RCW 82.04.030.
- (d) Except as specifically stated in this subsection (2), chapters 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW applies fully to the use tax.
- NEW SECTION. Sec. 15. CAPTIONS. Captions used in this act are not any part of the law.
- NEW SECTION. Sec. 16. CODIFICATION. Sections 1 through 13 of this act constitute a new chapter in Title 52 RCW.

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NEW SECTION. Sec. 17. SEVERABILITY. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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